

This Friday, the unemployment numbers for July were released. This means another month has passed with Obama and his Democratic allies in Congress doing nothing meaningful to address unemployment. Instead, they keep pushing more taxes, more federal spending and more red tape. If we want to encourage job growth, these are exactly the wrong things to do.

Earlier this year, I held a townhall meeting on historic Main Street in St. Charles. Roughly a hundred small business owners from across my district attended. According to the Small Business Administration, small businesses generate 70 percent of all new jobs. The question I asked small business owners and job creators at the town hall was: "What could Congress and the administration do to help small businesses grow and create jobs?" The answers were exactly the opposite of what the president and the Democratic Congress are doing.

Business owners at that meeting agreed that the biggest obstacle to job creation was the high tax burden they face. Whether a business pays corporate tax rates or a business owner reports income on individual tax return, the tax rates each pays are some of the highest in the industrialized world. Unfortunately [U.S. Treasury Secretary Timothy Geithner suggested recently](#) that we should raise taxes on these small business owners, even though recent research by one of the president's chief economic advisers, Christina Romer, concluded that "tax increases appear to have a very large, sustained and highly significant negative impact" on the economy.

Another issue mentioned by assembled small business owners in my district was the need for a stable economic environment. The president and the Democratic Congress have pushed a series of different regulations and mandates that only creates greater economic uncertainty. Is there an energy tax coming? How will the Obama's health-care plan affect small businesses? How will the recently enacted financial regulation bill affect access to capital? Will the government continue taxpayer-funded bailouts? Will the taxes hikes take effect in 2011? All of these questions make it increasingly difficult for small business owners to predict the future enough to grow their businesses and create jobs.

A third priority that came out of the townhall meeting was access to capital for small businesses. While the administration is busy bailing out big businesses and big banks, credit-worthy businesses continue to be shortchanged. Tighter government regulations and economic uncertainty have tightened lending requirements so much that small businesses continue to have trouble getting the capital they needed to stay afloat or even expand.

The last major concern of the small business owners in my district was the increasing amount of red tape that small businesses have to fight. Once again, the Obama administration and the

Democrats in Congress are only making this worse. One of the most onerous examples is from the recently enacted health-care bill. Under this new law, small businesses will be required to issue 1099 forms to each contractor with whom they do more than \$600 worth of business. Some experts suggest this could quintuple the number of 1099 forms an average small business would have to file. Such a requirement will only further burden small businesses and potentially encourage some to consolidate purchases with bigger businesses rather than patronizing other small businesses.

The message from small business owners in my district was clear. To help these job creators grow their businesses and add jobs, the administration and Congress need to keep taxes low, provide a stable economic environment, encourage access to capital, and cut government red tape. Unfortunately, on all four counts, the Obama administration and the Democrats in Congress are doing the exact opposite. If we want to keep unemployment high and continue to have a sluggish economy, we should stay the course and trust the current Washington power brokers.

However, if we want to jump start the economy and put people back to work, it is time for a different direction. We need to be innovative in getting people back to work, and that includes: 1) stopping the looming tax hikes in 2011, 2) require congressional approval of any regulation that would have an annual effect on the economy of at least \$100 million, 3) allow small businesses with fewer than 500 employees to take a tax deduction equal to 20 percent of their income, 3) reform banking oversight to ensure that credit-worthy businesses can still obtain financing and 4) stop the spending spree in Washington so we can keep more money in the pockets of hard-working Americans.

So far, the president has ignored this plan and continues to repeat the failed efforts of the past 18 months. The American people know that Washington spending and speeches are not improving our economy or adding jobs. These big government proposals are not helping our economy. It is time for the American people to let their voice be heard, and it is time for Washington to let Americans get back to work.

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